

RESIDENTIAL RENTAL MODIFICATIONS

2024 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Marsha Judkins

Senate Sponsor: _____

LONG TITLE**General Description:**

This bill deals with landlords providing notice to tenants.

Highlighted Provisions:

This bill:

- defines terms;
- establishes a period of time by which a landlord must provide a notice of rent increase to a tenant; and
- makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:**AMENDS:****57-22-2**, as last amended by Laws of Utah 2017, Chapter 19**57-22-4**, as last amended by Laws of Utah 2021, Chapter 98

*Be it enacted by the Legislature of the state of Utah:*Section 1. Section **57-22-2** is amended to read:**57-22-2. Definitions.**

As used in this chapter:

(1) "Low-income housing tax credit" means the same as that term is defined in Section [59-2-102](#).

~~[(1)]~~ (2) (a) "Owner" means the owner, lessor, or sublessor of a residential rental unit.

(b) ~~[A]~~ "Owner" includes a managing agent, leasing agent, or resident manager is considered an owner for purposes of notice and other communication required or allowed under this chapter unless the agent or manager specifies otherwise in writing in the rental agreement.

~~[(2)]~~ (3) "Rental agreement" means any agreement, written or oral, which establishes or modifies the terms, conditions, rules, or any other provisions regarding the use and occupancy of a residential rental unit.

~~[(3)]~~ (4) "Rental application" means an application required by an owner as a prerequisite to the owner entering into a rental agreement for a residential rental unit.

~~[(4)]~~ (5) "Renter" means any person entitled under a rental agreement to occupy a residential rental unit to the exclusion of others.

~~[(5)]~~ (6) "Residential rental unit" means a renter's principal place of residence and includes the appurtenances, grounds, and facilities held out for the use of the residential renter generally, and any other area or facility provided to the renter in the rental agreement. It does not include facilities contained in a boarding or rooming house or similar facility, mobile home lot, or recreational property rented on an occasional basis.

Section 2. Section **57-22-4** is amended to read:

57-22-4. Owner's duties.

(1) To protect the physical health and safety of the ordinary renter, an owner:

(a) may not rent the premises unless they are safe, sanitary, and fit for human occupancy; and

(b) shall:

(i) maintain common areas of the residential rental unit in a sanitary and safe condition;

(ii) maintain electrical systems, plumbing, heating, and hot and cold water;

(iii) maintain any air conditioning system in an operable condition;

(iv) maintain other appliances and facilities as specifically contracted in the rental agreement; and

(v) for buildings containing more than two residential rental units, provide and maintain appropriate receptacles for garbage and other waste and arrange for its removal, except to the extent that the renter and owner otherwise agree.

(2) Except as otherwise provided in the rental agreement, an owner shall provide the renter at least 24 hours prior notice of the owner's entry into the renter's residential rental unit.

(3) (a) Before an owner accepts an application fee or any other payment from a prospective renter, the owner shall disclose in writing to the prospective renter:

(i) a good faith estimate of:

(A) the rent amount; and

(B) the amount of each fixed, non-rent expense that is part of the rental agreement;

(ii) the type of each use-based, non-rent expense that is part of the rental agreement;

(iii) the day on which the residential rental unit is scheduled to be available;

(iv) the criteria that the owner will consider in determining the prospective renter's eligibility as a renter in the residential rental unit, including criteria related to the prospective renter's criminal history, credit, income, employment, or rental history; and

(v) the requirements and process for the prospective renter to recover money the prospective renter pays in relation to the residential rental unit, as described in Subsection (4).

(b) An owner may satisfy the written disclosure requirement described in Subsection (3)(a)(i) through a rental application, deposit agreement, or written summary.

(4) (a) A prospective renter may make a written demand to the owner of a residential rental unit requesting the return of money the prospective renter paid in relation to the rental of the residential rental unit, if:

(i) (A) an amount the owner provides in the good-faith estimate described in Subsection (3) is different than the amount in the rental agreement; or

(B) the rental agreement includes a type of use-based, non-rent expense that was not disclosed under Subsection (3); and

(ii) the prospective renter:

(A) makes the written demand within five business days after the day on which the prospective renter receives the rental agreement; and

(B) at the time the prospective renter makes the written demand, has not signed the rental agreement or taken possession of the residential rental unit.

(b) If a prospective renter makes a written demand in accordance with Subsection (4)(a), the owner shall return all money the prospective renter paid the owner within five business days after the day on which the owner receives the written demand.

(5) An owner may not charge a renter:

(a) a late fee that exceeds the greater of:

(i) 10% of the rent agreed to in the rental agreement; or

(ii) \$75; or

(b) a fee, fine, assessment, interest, or other cost:

(i) in an amount greater than the amount agreed to in the rental agreement; or

(ii) that is not included in the rental agreement, unless:

(A) the rental agreement is on a month-to-month basis; and

(B) the owner provides the renter a 15-day notice of the charge.

(6) Before an owner and a prospective renter enter into a rental agreement, the owner shall:

(a) provide the prospective renter a written inventory of the condition of the residential rental unit, excluding ordinary wear and tear;

(b) furnish the renter a form to document the condition of the residential rental unit and then allow the resident a reasonable time after the renter's occupancy of the residential rental unit to complete and return the form; or

(c) provide the prospective renter an opportunity to conduct a walkthrough inspection of the residential rental unit.

(7) At or before the commencement of the rental term under a rental agreement, an owner shall:

(a) disclose in writing to the renter:

(i) the owner's name, address, and telephone number; or

(ii) (A) the name, address, and telephone number of any person authorized to manage the residential rental unit; or

(B) the name, address, and telephone number of any person authorized to act for and on behalf of the owner for purposes of receiving notice under this chapter or performing the owner's duties under this chapter or under the rental agreement, if the person authorized to manage the residential rental unit does not have authority to receive notice under this chapter;

and

(b) provide the renter:

(i) an executed copy of the rental agreement, if the rental agreement is a written agreement; and

(ii) a copy of any rules and regulations applicable to the residential rental unit.

(8) (a) An owner shall provide notice of an increase in the monthly rental amount 60 days before the date the rent increase takes effect unless:

(i) the renter is on a month-to-month basis;

(ii) the increase is in response to an increase in maximum rent allowed in:

(A) a low-income tax credit community; or

(B) housing subject to Section 8 of the Housing Act of 1937, 42 U.S.C. 1437f et seq.;

or

(iii) the renter agrees in writing to an increase that takes effect sooner than 60 days.

(b) Nothing in this Subsection (8) prevents an owner from increasing the amount the renter pays for any cost, fee, assessment, or fine allowed under the rental agreement, including any automatic increase to a cost, fee, assessment, or fine provided in the rental agreement.

~~[(8)]~~ (9) Nothing in this section prohibits any fee, fine, assessment, interest, or cost that is allowed by law or stated in the rental agreement.

~~[(9)]~~ (10) A renter may not use an owner's failure to comply with a requirement of Subsection (2), (3), (4), (5), (6), ~~[or] (7), or (8)~~ as a basis:

(a) to excuse the renter's compliance with a rental agreement; or

(b) to bring a cause of action against the owner.

Section 3. Effective date.

This bill takes effect on May 1, 2024.